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Counsel for Pocatello Dental, P.C.

UNITED STATES DISTRICT COURT DISTRICT OF IDAHO

POCATELLO DENTAL GROUP, P.C., an Idaho professional corporation,))
Plaintiff,)
vs.)
INTERDENT SERVICE CORPORATION, a Washington corporation, Defendant.)) Case No. CIV 03-450-E-BLW
INTERDENT SERVICE CORPORATION, a Washington corporation,	POCATELLO DENTAL GROUP'S ANSWER TO CROSS-CLAIM OF LARRY R. MISNER
Counterclaimant, vs.))
POCATELLO DENTAL GROUP, P.C., an Idaho professional corporation; DWIGHT G. ROMRIELL, individually; LARRY R. MISNER, JR., individually; PORTER SUTTON, individually; ERNEST SUTTON, individually; GREGORY ROMRIELL, individually; ERROL ORMOND, individually; and ARNOLD GOODLIFFE, individually;)))))))))))
Counterdefendants.))

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COMES NOW Pocatello Dental Group, P.C. ("PDG"), by and through its attorneys of record, and in answer to the Cross-Claim of Larry R. Misner ("Cross-claim"), admits, denies and alleges as follows:

- 1. PDG admits the allegations of paragraphs 1, through 7, of the Cross-claim.
- In answer to paragraph 8, of the Cross-claim, PDG restates its answers to paragraphs
 through 7, as if set out herein at length. There is no paragraph 9, of the Cross-claim.
 - 3. PDG admits the allegations of paragraph 10, of the Cross-claim.
- 4. In answer to paragraph 11, of the Cross-claim, PDG admits that Misner decided to leave the employ of PDG due to his claim that PDG has in the past and was continuing to breach his contract of employment. PDG alleges that if it breached the employment agreement, that breach was caused by the conduct of InterDent Service Corporation through its breach of the Management Agreement.
- 5. In answer to paragraph 12, of the Cross-claim, PDG admits that Misner notified PDG of his intent to leave the practice and not honor any non-compete provisions contained in the Employment Agreement and admits that based upon the conduct of InterDent Service Corporation, through its breach of the Management Agreement, PDG believes that it cannot enforce the non-compete provisions of the Employment Agreement against Misner.
- 6. In answer to paragraph 13, of the Cross-claim, PDG joins in Misner's request that the Court make the requested declarations.
- 7. In answer to paragraph 14. of the Cross-claim, PDG restates its answers to paragraphs 1. through 14. as if set out herein at length.
 - 8. PDG admits the allegations of paragraph 15, of the Cross-claim.

- 9. In answer to paragraph 116, of the Cross-claim, PDG admits that Misner claims that PDG has in the past and was continuing to breach his contract of employment. PDG alleges that if it breached the employment agreement, that breach was caused by the conduct of InterDent Service Corporation through its breach of the Management Agreement.
- 10. Unless otherwise specified, PDG denies each and every allegation contained in the Cross-claim unless expressly and specifically admitted.

AFFIRMATIVE DEFENSE

As a result of InterDent's conduct, its breach of the Management Agreement, its breach of the fiduciary duty it owes to the Group, and its breach of the covenant of good faith and fair dealing InterDent owes to the Group, third party claims, including but not limited to the Cross-claim have been made and brought against the Group by its dentist providers, alleging *inter alia*, (1) that the Group has allowed InterDent to withhold payment of their compensation; (2) that the Group has allowed InterDent to interfere with the dentist's patient relationships; (3) that the Group has allowed InterDent to infringe upon the dentist's ethical obligations to its patients; (4) that the Group has allowed InterDent to reduce staff support, equipment, supplies and facilities to the point where patient care has suffered; (5) and that the Group has allowed InterDent to improperly bill and overcharge Medicaid under the individual dentist's identities, resulting in claims for reimbursement being made directly against the Group's dentists.

The conduct of InterDent has interfered with the contractual relationship between PDG and Misner, and has caused the non-compete clause of the Employment Agreement to become unenforceable and has caused any of the damages claimed by Misner. Misner, therefore, should be required to take his damages from the assets and property of InterDent and not PDG.

REQUEST FOR JURY TRIAL

PDG joins in Misner's request that all issues be tried by a jury.

WHEREFORE, PDG prays for judgment as follows:

- 1. That Misner's Cross-claim be enforced against InterDent Service Corporation, and that to the extent affirmative relief is sought against PDG, that such relief be taken against InterDent Service Corporation;
- 2. That PDG be awarded its costs and attorney fees necessarily incurred in defending this action; and
 - For such other relief as the Court may deem just and proper.

DATED this ________ day of April, 2004.

COOPER & LARSEN, CHTD.

Attorneys for Pocatello Dental Group, P.C.

Ron Kerl

STATE OF IDAHO)
ss
County of Bannock)

Gregory Romriell, being first duly sworn, deposes and says:

That he is the President of Pocatello Dental Group, P.C. in the above-entitled and foregoing action; that he has read the foregoing Plaintiff's Answer to Interdent Service Corporation's Amended and Supplemental Answer, Counterclaims, and Third Party Complaint, knows the contents thereof, and that the facts therein stated are true as he verily believes.

DATED this 13day of April, 2004.

GREGORY ROMRIELL

President of Pocatello Dental Group, P.C.

SUBSCRIBED AND SWORN to before me this 13 day of April, 2004.

(SEAL) NOTARY PUBLIC STATE OF IDAHO

NOTARY PUBLIC for Idaho

Residing at: Pocatello...

Commission Expires: 4

CERTIFICATE OF SERVICE

I HEREBY CERTIFY on the <u>19</u> day of April, 2004, I served a true and correct copy of the foregoing document as follows:

[xx] U.S. Mail, postage prepaid Erik F. Stidham [] Hand Delivery G. Rey Reinhardt [] Overnight Mail STOEL RIVES LLP [] Facsimile 101 S. Capitol Blvd., Ste.1900 Boise, ID 83702-5958 [xx] U.S. Mail, postage prepaid Scott J. Kaplan [] Hand Delivery STOEL RIVES LLP [] Overnight Mail 900 SW Fifth Ave. Stc. 2600 [] Facsimile Portland, OR 97204-1268 [xx] U.S. Mail, postage prepaid Lowell N. Hawkes [] Hand Delivery 1322 East Center [] Overnight Mail Pocatello, ID 83201 [] Facsimile

Richard A. Hearn RACINE, OLSON, NYE, BUDGE & BAILEY, CHTD. P.O. Box 1391 Pocatello, ID 83204

[2	ΚX] U.S. Mail, postage prepaid
[]	Hand Delivery
[]	Overnight Mail
[]	Facsimile

By: / Con/Cer/

Ron Kerl